for one group of emplyees and do not increase to other group of employees, there will be an immense preseure on the revenue and I shall be grateful if the hon. Finace Minister would offer some indication as to how he proposes to meet this problem. The least that I would humbly suggest to him is to call all the State Finance Ministers and discuss this issue together.

SHRI YASHWANT SINHA: Madam, I must compliment the hon. Member for the dexterity with which he has introduced a supplementary which is acutally on a previous question which was not asked. But I have no hesitation in replying to the point that he has raised. It is true that if large pay packets are made available to employees in all sectors—Central, State, public sector, local bodies-then it has an immediate impact on prices.

The State Governments have been put to enormous difficulties, as a result of the decision which was given by the Government of India in regard to the Fifth Pay Commission. Despite the constitutional distinction which exists between the Central Government and the State Governments, under which the State Governments are entirely free to take their decisions, the reality is that the State Governments are forced to follow the decisions taken by the Government of India. They can make only minor changes here and there. Therefore, the total impact of the Fifth Pay Commission's recommendations and its implementation, on the Central Government and on the State Gvoernments, is a huge amount. It is still an open question because many of the States are struggling with their employees. I am happy to inform the hon. Member that we had a meeting of the National Development Council on the 19th February, 1999, if I am not mistaken. In that meeting this point was raised by the Cheif Ministers and the representatives of the State Governments, who were present there. A decision was taken in that meeting that we shall meet in a sub-committee of the National Development Council. We have called a meeting with the State Chief Ministers on the 15th of this month. In terms of the decision taken by the National Development Council. We shall in the Planning Commission and the Finance Ministry sit down with the State Governments' representatives to work out steps in the medium-term for getting over the problems of the State Governments.

Financial Assistance to Unemployed Youth Under PMRY

**184. SHRI O.P. KOHLI:†*
SHRMATI JAYAPRADA NAHATA:

Will the Minister of FINANCE be pleased to state:

(a) the number of applications received by the public and private sector banks, duly recommended by the concerned block development offices in the country, for the grant of financial assistance to the unemployed youths under PMRY during the last three years, State/UT-wise and year-wise;

(b) the number of those who were given loans and the reasons for disallowing the applications of others; and

(c) whether there is any fixed period within which the banks are required to release the loans and whether that period is being adhered to by the banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M. R. JANARTHANAN): (a) to (c) A Statement is laid on the Table of the House.

†The Question was actually asked on the floor of the House by Shri O.P. Kohli.

Statement

(a) to (c) As per information furnished by the Reserve Bank of India (RBI), the number of applications received, sanctioned and disbursed under the Prime Minister's Rozgar Yojana (PMRY) by the public and private sector banks as recommended by District Industries Centres (DICs) during the last three years State-wise/Union Territory-wise is at Annexure. [*See Appendix 186, Annexures No. 27]*

Applications which are not found eligible as per guidelines of the scheme or are not found viable are rejected by the banks. As per extant guidelines of RBI, applciations for sanction of loans up to Rs. 25,000/- should be disposed of by the banks within a fortnight and those over Rs. 25,000 within 8 to 9 weeks. A study conducted by RBI in 1997 has revealed that generally the applications have been disposed off within the prescribed time limit.

श्री ओम प्रकाश कोहली: सभापति महोदय, मैं माननीय मंत्री जी से जानना चाहूंगा कि प्रधान मंत्री रोज़गार योजना के अन्तर्गत जिन व्यक्तियों को वित्तीय सहायता दी गई है, उन्होंने वित्तीय सहायता प्राप्त कर के अपने प्रोजेक्ट्स को चालू किया, उनमें से आज कितने प्रोजेक्ट फंगश्नल हैं, आप्रेटिव हैं और कितने प्रोजेक्ट्स डिस्फंगश्नल हो गये हैं, इनआप्रेटिव हो गयी है? इसकी कोई जांच पड़ताल और निगरानी सरकार रखती है या नहीं और यदि रखती है सो उसका क्या तंत्र है? मैं यह जानना चाहता हूं कि वित्तीय सहायता प्राप्त कर के प्रारम्भ किये गये प्रोजेक्ट्स में फंग्शनल कितने हैं और डिस्फंग्शन कितने है?

SHRI KADAMBUR M. R. JANARTHANAN: Madam Deputy Chairman, there is a monitoring cell in the RBI. The monitoring cell of the RBI is conducting meetings with the apex body. It is the prerogative of the banks to monitor case by case. I would like to submit to the hon. Member that the recovery percentage, in general, is 50 to 56 per cent. Therefore, most of the loans, which are given to the youngsters, are yielding results. I am happy to inform the Hosue that this Government considers the matter of employment to the youngsters most important. We have come with great modifications in the PMRY Scheme on 21.1.99, and these will come into effect from 9th April. The modifications are in respect of age, educational qualificiation, etc. In the North-Eastern region we are even exceeding the limit of 24,000 to 40,000. Such is the thrust of this Government in regard to this scheme. Therefore, we think, the futute of the scheme is very good. So far as the recovery percentage is concerned.

I have already given the figures ....*(Interrutpions)*...

MISS SAROJ KHAPARDE: Madam, the hon. Minister is not addressing the Chair. He is addressing the officers.

SHRI KADAMBUR M. R. JANRTHANAN: Sorry, Madam. The hon. friend is always particular about you.

श्री ओम प्रकाश कोहली: महोदया, जो उत्तर मंत्रालय ने वितरित किया है, उसे देखने पर ऐसा लगता है कि कुछ राज्यों में प्रधानमंत्री रोजगार योजना का कार्यान्वय संतोषजनक और ठीक ढंग से हो रहा है लेकिन कुछ राज्यों में ठीक नहीं हो रहा है। जहां ठीक नहीं हो रहा है, वहां पर इसके इंप्लीमेंटेशन को टोन-अप करने के लिए केन्द्र सरकार की क्या भूमिका रही है? उदाहरण के तौर पर वैस्ट-बंगाल में 31 मार्च, 1996 तक का लक्ष्य रखा गया था 23,950 और जिन पेकैज में लोन डिस्बर्स किया गया है, वे हैं 7,236, इसी ढंग से वर्ष 1997 कर जो टाइगेट था,

In 1997, the target was 22,900, and the number of cases where loan disbursed was 5522. Similarly, in 1996, the target was 23000, and the loan was disbursed only in 2997 cases. So, in three years, out of the target of 71850 in West Bengal, the loan has been disbursed only in 15775 cases. So, in respect of such States where the performance, the implementation of the scheme, is not satisfactory, what does the Central Government do and what is its role; and what has the Central Government done in this case?

उपसभापतिः बड़ा लंबा सवाल है।

SHRI KADAMBUR M. R. JANARTHANAN: I have already replied to this question as to what are the modifications we are making in this scheme from this year onwards, and, particularly, if I can give the total figure, the target was 9,20,000, till 1997-98, and the applications received by the banks *(Interruptions)...*

SHRI O. P. KOHLI: My question is in respect of West Bengal.

SHRI KADAMBUR M. R. JANARTHANAN: I am giving the total figures. Only in the North-Eastern region, the functioning is less and, therefore, we are modifying *(Interruptions)...*

THE DEPUTY CHAIRMAN: If you do not have the figures regarding West Bengal, then you can give it later on.

THE MINISTER OF FINANCNE (SHRI YASHWANT SINHA): Madam, I would like to clarify the situation. It is true, as the hon'ble Member has pointed out, that there are differences in regard to the percentage achievements between various States, but let us not forget that this is a partnership scheme. The PMRY is a scheme where the banks advance the money. The Government of India gives subsidy and the State Governments, through the district industries centre, are supposed to sponsor the application. Now, in order to see that the whole thing is put on a very systematic and functional basis, we have district-level committees and we have State-level committees. We have, for instance, the State-level Bankers' Committee which is 'supposed to meet every quarter and review with the State Government officials as to what exactly is happening in regard to PMRY. In the last 12 months, I have attended two such meetings myself, with a view to finding out as to what exactly is happening. I have not taken such a meeting in West Bengal, but if the Member has a great concern, we will take the earliest opportunity to sit down in Calcutta perhaps, and review what is happening and what are the difficulties in relation to West Bengal, in particular.

MISS SAROJ KHAPARDE: May I know from the hon'ble Minister the amount of financial assistance disbursed under the Prime Minister Rozgar Yojana during the last three years, and the average recovery rate of the loan advanced under the Prime Minister's Rozgar Yojana and whether Government has assessed the success of the scheme; if so, the result thereof?

SHRI KADAMBUR M.R. JANARTHANAN: Sir, the total amount disbursed ... Madam ... Madam ... Sorry.

उपसभापतिः सवाल करने वाली भी मैडम है और चेयर पर भी मैडम है, आपको सर कहां से दिख जाते हैं? कल महिलाओं का दिवस गया ... (व्यवधान)

SHRI KADAMBUR M.R. JANARTHANAN: The total amount dispersed is Rs. 4,219 crores.

MISS SAROJ KHAPARDE: During the last three years?

SHRI KADAMBUR M.R. JANARTHANAN: I am giving it as on 1997-98.

MISS SAROJ KHAPARDE: During the last three years?

SHRI KADAMBUR M.R. JANARTHANAN: We have got them separately, Madam.

उपसभापतिः जल्दी से बता दीजिए क्योंकि क्वेश्चन-ऑवर खत्म हो रहा है।

SHRI KADAMBUR M.R. JANARTHANAN: In 1995-96 it is Rs. 1,271 crores. In 1996-97, it is Rs. 1,263 crores. In 1997-98, it is Rs. 980 crores.

MISS SAROJ KHAPARDE: What about the recovery of the loan?

SHRI KADAMBUR M.R. JANARTHANAN: The recovery of the loan is 56 per cent on an average. For the Scheme to Function well, we have

modified the Scheme. I have told already that from 35 years we have increased it to 45 years for the SC and ST people. We have reduced the educational qualification from 10th standard to 8th standard. We have increased the loan amount from Rs. 1 lakh to Rs. 2 lakhs. Such is the great improvement we have done.

MISS SAROJ KHAPARDE: You have not answered the last part.

THE DEPUTY CHAIRMAN: I would like the hon. Finance Minister to understand about the Jawahar Roazgar Yojana, that he should also assess how many women have been identified under it because it should not remain that they are only concentrating on men. What percentage of employment has been generated for women in the various States? When you come back to the House, come with the figure. ...(*Interruptions*)

Now Question Hour is over.

WRITTEN ANSWERS TO STARRED QUESTIONS

Implementation of Pay Commission Award

*182. SHRI KHAGEN DAS: Will the Minister of FINANCE be pleased to state:

(a) whether several States including Tripura have requested the Central Government to provide them compensation for implementing Pay Commission Award in their States in the wake of Central Government's decision to implement the 5th Pay Commission Award for its employees;

(b) if so, what are the details thereof;

(c) whether the Central Government is aware that due to the implementation of the Pay Commission Awards in the States almost all the States are faced with ways and means problem; and

(d) whether the Central Government would provide such assistance to the States in order to tackle the situation?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) Yes, Sir.

(b) A Statement is enclosed. (See below)

(c) and (d) The State Governments have the discretion in the matter of determining the salary of their employees and it is not mandatory for them to adopt the Central pay scales. If the State Governments have implemented 5th Pay Commission's award for their employees, they may have to raise additional resources and re-orient the expenditure priorities as has been done by the Central Government, in order to cope with the situation. Government of India could not make any commitment to meet any part of the expenditure incurred on payment of salaries to State Government employees. However, the impact of implementation of higher pay scales could be projected by the State Government to the Eleventh Finance Commission who may consider it within its terms of reference.

Statement

Requests received from State Governments seeking additional financial assistance from the Central Government in connection with revision of the pay of their employees

S.No.	State	Request
1.	Andhra Pradesh	Rs. 1500 crores per annum as grant-in-aid.
2.	Arunachal Pradesh	Rs. 100 crores for the year 1998-99 as 50% outright grant and 50% Interest free loan.